

EFTA: JOINING FAIR TRADE FORCES

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WHAT IS EFTA?

A European Association...

EFTA (European Fair Trade Association) is an association of ten Fair Trade importers in nine European countries (Austria, Belgium, France, Germany, Italy, The Netherlands, Spain, Switzerland and the United Kingdom). EFTA was established informally in 1987 by some of the oldest and largest Fair Trade importers. It gained formal status in 1990. EFTA is based in the Netherlands and has Dutch Articles of Association.

The aim of EFTA is to support its member organizations in their work and to encourage them to cooperate and coordinate. It facilitates the exchange of information and networking; it creates conditions for labour division; it identifies areas of coordination and cooperation such as joint projects, research and systems to facilitate fair trading with suppliers.

Some figures

In 2011 (financial year ending in the period from July 2011 up to June 2012), EFTA members achieved a combined turnover, on the basis of retail-figure calculations, of almost 300 million €. The largest EFTA members are Gepa in Germany (61,5 million) and CTM Altromercato in Italy (36 million). A large part of the sales are achieved via the traditional channels of World Shops. Supermarkets become of increasing importance as a sales channel, e.g. 38 % for Fair Trade Original in The Netherlands and 32 % for Traidcraft in the UK.

Combined, EFTA members trade with almost 370 suppliers. The majority of handicrafts comes from Asia. Most food products, particularly coffee, comes from Latin America.

In total, EFTA members currently employ the equivalent of 600 full-time employees.

EFTA's WORK IN PRACTICE

Meetings and information exchange

Meetings are crucial to information exchange, so one of EFTA's key tasks is to bring people together. EFTA members participate as much as possible, since this forms the basis of EFTA cooperation.

The following meetings are being organized for various staff of EFTA members: managers, experts on food, experts on handicrafts and monitoring staff. In addition to these basic meetings, EFTA organizes meetings on important specific issues, such as Quality Assurance.

An example of EFTA labour division: Partner Attendance

An important instrument to share labour in food is the system of Partner Attendance. An EFTA Partner Attender is responsible for contacts with a partner on behalf of one or more EFTA members. Key tasks are to collect data about the partner and to monitor and support the development process.

At times, the Partner Attender also imports products from the partner on behalf of other EFTA members. In this case, it is responsible for product development, delivery time, quality etc. There are currently around 30 partners with EFTA Partner Attenders.

An example of EFTA coordination: EFTA Information and Assessment System

The EFTA Information and Assessment System aims at supporting EFTA members in the relationship with their partners by labour division, by providing basic information, by giving early warnings in case of problems, by checking compliance with standards and by giving recommendations on cooperation. The system focuses on partners which are not in the FLO register.

The following instruments form part of the EFTA System: the EFTA Information Form, the Fairdata internal website and the EFTA Assessment Tools. The Monitoring Group, which consists of representatives of EFTA members, is responsible for developing and updating the EFTA Information and Assessment System. The group divides labour on collecting information and doing assessments. This helps to avoid duplication of work for EFTA members and partners in the South. EFTA members together manage to regularly assess the partners with whom three or more EFTA members trade.

The outcome of the information collection and the assessments is available to non EFTA organisations. We can send you a list and the you can turn to the partners to obtain the information.

An example of EFTA's pilot work: the Fair Trade Advocacy Office

EFTA established an Advocacy Office in Brussels in 1995. The office supported EFTA members and other actors of the Fair Trade movement in their advocacy and campaigns work and influenced European institutions towards making international rules on trade fairer.

In the course of the years, the office has achieved a lot. Various campaigns, e.g. on Fair Trade in general, on coffee and chocolate have been executed. The European Parliament adopted resolutions on Fair Trade. The European Commission adopted a Communication on Fair Trade. Fair Trade coffee is being

served in the buildings of the European Parliament. Just to mention a few successes.

Over time, it became clear that advocacy work could be much more effective if it was undertaken by the whole Fair Trade movement. Therefore, Fairtrade International, WFTO-Europe and EFTA together decided to replace the EFTA advocacy office by a joint advocacy office, which became independent per January 2011. The three organisations finance the office and are represented on the Board.

The FTAO has two fulltime staff members, supported by various interns. The office gives priority to the development of a good policy framework for Fair Trade at EU level. It particularly identifies ways in which EU institutions can endorse and /or support Fair Trade and it supports the development of joint positions of the Fair Trade movement.

An example of a joint project: Research Fair Prices Fair Wages

It is a fundamental principle of Fair Trade to seek to pay fair prices and fair wages to workers, producers, farmers and artisans. In practice, the standard for fair wages is usually translated into 'something' above the legal minimum wage. However, it becomes increasingly clearer that in many countries the legal minimum wage does not cover the costs of living. Assessments show that more attention needs to be given to paying fair prices and wages.

EFTA started in-depth discussions on this issue and initiated a research with the aim to develop a common definition on fair prices and wages, to identify the best instruments to calculate living wages and to propose solutions on how to raise wages of workers and artisans to the legal minimum and above.

The research was published in April 2013. The outcome is the basis for further work in this area of EFTA and its members. Also the report was handed over to WFTO Global with the aim to help the Fair Trade movement to improve a crucial element of Fair Trade: fair wages for artisans, workers and farmers.

THE EFTA SECRETARIAT

EFTA has one staff member for 32 hours per week in the office in Schin op Geul (near Maastricht), the Netherlands. For additional projects, it hires extra staff, such as the Fairdata Officer for the Fairdata system.

The core costs of staff and offices are paid by the EFTA members through a contribution fee which is related to their turnover. Annual income based on these fees amounts to € 135.000,-. Additional projects are funded externally.

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